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SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM  
NSC FOR NEA STAFF

JERUSALEM ALSO FOR ICD  
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PARIS ALSO FOR POL  
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E.O. 12958: N/A  
TAGS: [IS KMDR MEDIA REACTION REPORT](#)  
SUBJECT: ISRAEL MEDIA REACTION

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SUBJECTS COVERED IN THIS REPORT:  
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1. Mideast
2. Democracy in Mideast
3. Russia: Yukos Verdict

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Key stories in the media:  
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Leading media (banner in Jerusalem Post) reported that the planned meeting between PM Sharon and PA Chairman [President] Mahmoud Abbas was finalized Wednesday for June 21. The media reported that Abbas underwent a heart procedure in Amman Wednesday.

Israel Radio reported that 398 Palestinian prisoners were released this morning. The media reported that on Wednesday, the High Court of Justice rejected an appeal seeking to block the release before it takes place. The petition was filed by a group of Israeli citizens who were wounded or had relatives killed in attacks by Palestinian terrorists.

Yediot quoted a senior IDF source as warning that the army is unprepared for violent resistance against the disengagement move, including cases of suicide, mass refusals to serve in the army, the use of arms, and causing a confrontation with Israeli Arabs. The source was quoted as saying that veterans of elite units, who "know exactly where they are going," will lead the opposition to disengagement. Jerusalem Post and Yediot reported that on Wednesday, incoming IDF C-o-S Dan Halutz promised to carry out the disengagement move with "determination and sensitivity."

Leading media (banners in Ha'aretz and Hatzofe) reported that a double suicide bombing planned to take place in Jerusalem's Ramot neighborhood this morning was foiled by security forces and police. Five Islamic Jihad activists have been arrested in connection with the affair; security forces have also seized the two explosive devices that were to be used in the attack.

Jerusalem Post and other media quoted Sharon as saying Wednesday that the deadline has now passed for Gaza settlers who want to join the group that will temporarily settle in the Nitzan and north Ashkelon area while their permanent homes are being built.

Ha'aretz reported that Deputy Housing Minister Ruhama Avraham told the Knesset Wednesday that the demolition of homes in the Silwan neighborhood of East Jerusalem could lead to unrest among residents of the area, but that the government has no intention of "capitulating to law-breakers."

Jerusalem Post reported that some 50 members of the PA's Military Intelligence Force on Wednesday blocked main roads and stormed public buildings in the Gaza Strip in protest against the PA's decision to reconstruct the Palestinian security forces.

Jerusalem Post reported that at the present rate of trade, by the end of this year Israel will have exported about USD 1 million in Israeli goods to Iraq, according to statistics published Wednesday by the Israel Export Institute (IEI). The IEI also said there had been an overall increase of 8.3 percent in exports to Arab states compared with last year, totaling USD 42 million. Jerusalem Post writes that the IEI report fails to show that exports to most Arab countries are still lower or nonexistent compared to pre-Intifada

levels, the only exception being Jordan.

All media reported that Finance Minister Binyamin Netanyahu presented on Wednesday a five-year program of tax cuts designed to benefit those with low incomes and to increase workforce participation, including among mothers.

Channel 2-TV reported last night that Israel's Ambassador to the U.S., Danny Ayalon, allegedly tried to influence witnesses to give evidence in his favor in the investigation being conducted against him. Ayalon is also suspected of charging unrecognized expenses, such as the organization of his daughter's bat-mitzvah party, to the state budget. Maariv and Israel Radio cited Ayalon's denial of the allegations against him. Leading media reported that Civil Service Commissioner Shmuel Hollander has asked A-G Menachem Mazuz to send a representative of the state prosecution to Washington to join the commission's investigator examining possible misdemeanors on the part of the Ambassador and his wife.

Citing the Jewish Telegraphic Agency, Jerusalem Post reported that on Tuesday, President Bush named Jeffrey Berkowitz, 26, the White House liaison to the Jewish community. Berkowitz is a reform Jew.

Maariv cited a new report drafted by the Interior Ministry's Population Authority, which establishes that nearly half of the new immigrants who moved to Israel since 2000 by virtue of the Law of Return are not Jews.

Yediot reported that Ambassador of the Philippines to Israel Antonio Modena, in an interview with Al Hasharon, the newspaper's local supplement in the Sharon area, compared the behavior of the Immigration Police to that of the Nazis toward the Jews.

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[1](#). Mideast:  
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Summary:  
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Independent, left-leaning Ha'aretz editorialized:  
"[Outgoing IDF chief of staff Moshe Ya'alon] says that this burning was to no avail, and that we are destined to an eternal war.... Israel has yet to try the only solution acceptable to the Palestinians, most Israelis and the entire world -- the solution of a withdrawal from the occupied territories and the dismantling of the settlements."

Block Quotes:  
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[1](#)I. "Prophesying the State's Destruction"

Independent, left-leaning Ha'aretz editorialized (June 2): "[Outgoing IDF chief of staff] Moshe Ya'alon took time out to give a prophetic interview on the destruction of the state to Ha'aretz's weekend magazine. Ya'alon will be remembered as a chief of staff who believed in burning into the consciousness of the Palestinians, by means of force, that terror doesn't pay. In his farewell interview, he says that this burning was to no avail, and that we are destined to an eternal war.... One can treat the former chief of staff's statements as the opinion of security expert No. 1, lose hope, and sit hidden away in bomb shelters in anticipation of the next wave of terror that he predicts. Regrettably, one can also say that it is, in fact, Israel -- and first and foremost the former chief of staff -- which has proved that it understands only force. Israel has yet to try the only solution acceptable to the Palestinians, most Israelis and the entire world -- the solution of a withdrawal from the occupied territories and the dismantling of the settlements.... The disengagement must be perceived as Israel's choice to cut itself off from the ongoing attempt to flee reality.... The question of what will happen the day after the pullout depends less on Mahmoud Abbas and more on whether Ya'alon's pessimistic theories continue to rule the roost and whether the captains of the disengagement see it as the end of the story.... The State of Israel has already been established, and does not require Palestinian approval. On the other hand, Israel doesn't have to give the Palestinians an independent state, but to try, finally, to burn it into its consciousness."

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12. Democracy in Mideast:  
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Summary:  
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Middle East affairs commentator Guy Bechor, a lecturer at the Interdisciplinary Center, wrote in mass-circulation, pluralist Yediot Aharonot: "Should [President Bush] pull out, the isolated buds of democracy that have sprouted here over the past two years would wilt. The United States must clarify whether it is willing to continue its hefty investments."

Block Quotes:  
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"Mubarak, For the Fifth Time"

Middle East affairs commentator Guy Bechor, a lecturer at the Interdisciplinary Center, wrote in mass-circulation, pluralist Yediot Aharonot (June 2): "Something wrong is taking place in Egypt. Egyptian security forces have thwarted the visit to Israel of the liberal Egyptian playwright Ali Salem, who was to receive an honorary doctorate from Beersheva [Ben-Gurion] University.... Those who oppose the continuation of the Mubarak presidency are being monitored and threatened. Paradoxically, the more the demand for democratization is increasing in Egypt, the more democratization is shrinking. The peak of this trend is an amendment to the Egyptian Constitution, which has turned the demand for democratization into a farce.... The U.S. understands that this is a joke, but, given its entanglement in Iraq, it apparently prefers not to worsen relations with the Egyptian government. The problem perhaps lies here.... Thus, the problem lies not with Mubarak and his Arab counterparts, but with President Bush. If he is indeed committed to the vision of democratization in the Arab world, he must continue his forceful and demanding policy in the region. Should he pull out, the isolated buds of democracy that have sprouted here over the past two years would wilt. The United States must clarify whether it is willing to continue its hefty investments. If it doesn't intend to do so, it had better proclaim this now, lest it deceives despondent human right activists in the Arab world, who will eventually be the only ones paying the price of the [United States'] inconsistent policy."

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13. Russia: Yukos Verdict:  
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Summary:  
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Conservative, independent Jerusalem Post editorialized: "When the Russian people increasingly see the benefits of free societies and free markets in the surrounding states, the calls for reform and not repression from the Kremlin will grow louder."

Block Quotes:  
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"Putin's Trials"

Conservative, independent Jerusalem Post editorialized (June 2): "The conviction of Russian-Jewish businessman Mikhail Khodorkovsky and his sentence to nine years imprisonment by a Moscow court Tuesday has rightly given the world another reason for increasing concern about the acts and intentions of President Vladimir Putin.... Make no mistake, the Khodorkovsky conviction by itself will generate its own punishment for Russia in the chill it will send through the international business community, and a likely subsequent reluctance by that community to invest in a country where the markets no longer look truly free and fair. But that is not enough. Nor is the admirable rhetoric employed by U.S. President George W. Bush last month in his visits to the Baltic States and Georgia, where he lauded and offered reassurances for their freedom and independence from Russian domination. Bush was right, though, that given the West's limited ability to effect internal reform and democratization in Russia, the best way to curtail Putin's ambitions is to do just that in its neighboring countries, bringing them into the Western sphere of influence. This will require more than words.... When the Russian people increasingly see the benefits of free societies and free markets in the surrounding states, the calls for reform and not repression from the Kremlin will grow louder. That is

the best way to ensure that everyone in Russia ---  
including Mikhail Khodorkovsky -- gets the fair trial  
they deserve."

KURTZER